

## Residential Property Management Agreement

This agreement appoints Sam Folds Inc., Realtors, as Management agent (hereinafter referred to as "BROKER and/or AGENT") for the residential property situated at

\_\_\_\_\_.

This property is owned by: \_\_\_\_\_.

(hereinafter referred to as "OWNER"). The OWNER has full authority to enter into this agreement. The property includes the following appliances and personal property:

\_\_\_\_\_.

# Bedrooms \_\_ ; # Baths \_\_ ; Parking Spaces: \_\_\_\_\_ . *Sq. Ft.:* \_\_\_\_\_

The OWNER read, understands and agrees to follow the underlying lease agreement with TENANT for this property. The OWNER understands that the OWNER has an ongoing commitment to cooperate with the BROKER/AGENT to provide a residence for TENANT in accordance with the terms and conditions of the lease, including timely repair and maintenance. A copy of the lease agreement is incorporated herein by reference. OWNER hereby grants to BROKER/AGENT the exclusive right to rent, lease, operate and manage the property hereinafter described on the terms and conditions stated herein. BROKER may delegate BROKER'S rights and duties under this agreement to BROKER'S licensed real estate salespersons and broker/salespersons.

**Terms of Duration, Termination and Rate of Rent:** This agreement begins on the \_\_\_\_\_ day of \_\_\_\_\_, 2009. The property will be managed on a one-year basis and payable at a rental rate between \$ \_\_\_\_\_ per month or current market value as determined by Broker. Broker will use his/her best efforts to lease or rent the property and will collect First month's rent (pro-rated is after the 1st) and a security deposit prior to occupancy. Landlord agrees to hold Broker harmless for any failure to secure tenant(s) for the Landlord, any cancellation by the Tenant(s) or failure to collect any rents or monies due from the Tenant(s) for any reason.

A monthly management fee of 10% of gross collected rent per month will be charged for compensation to BROKER for management of property. BROKER shall collect and retain from TENANT any and all late charges, return check charges, renewal fees, application fees and similar fees paid by TENANT, as compensation for AGENT'S effort and time in collection of same.

This management agreement shall automatically be renewed for an additional term of one year each until either party elects to terminate this agreement. Notification of intent must be submitted to the other party in writing, with no less than (30) thirty days notice. Leases for a term of (6) six months or less are subject to state tax on monthly payments. The party who receives the rent is responsible for timely collecting and paying the taxes.

**If an exchange or sale of the property is made to a TENANT, or anyone acting directly or indirectly on TENANT'S behalf, a commission of 3% of the gross sales price shall be paid by OWNER to BROKER no later than at the closing of the sale. If a sale or exchange of the property is made to any other party during the term of this agreement, the terms and conditions of this agreement shall be binding on such other party.**

**Should either party elect to terminate this agreement, the OWNER recognizes that the OWNER may still have a duty to continue the rental agreement with the TENANT that was formed during the time of the BROKER/AGENT'S agreement with the OWNER.**

**BROKER/AGENT reserves the right to terminate this agreement anytime upon providing OWNER (30) thirty days advance notice, or immediately, if in BROKER'S opinion, OWNER'S actions or inactions are illegal, improper or jeopardize the safety or welfare of any TENANT or other persons or property. BROKER may terminate this agreement and not be held liable for the performance hereof upon the occurrence of any of the following: OWNER files a petition for bankruptcy or has a voluntary petition for bankruptcy filed against OWNER or if the property is foreclosed by a mortgage holder; OWNER fails to comply with any rule, order, ordinance or law of any federal, state or local authority relating to the use or operation of the property; OWNER fails to cooperate with BROKER/AGENT or fails to promptly reimburse BROKER/AGENT for costs, fees or expenses due under this agreement; OWNER breaches this agreement.**

**If OWNER or BROKER terminates this agreement as provided herein, the rights and duties of parties accruing prior to such termination shall not be affected thereby and BROKER shall be entitled to collect the management fee for the remaining time that the existing TENANT rents the property.**

**2. BROKER/AGENT Management Duties & Responsibilities: OWNER expressly names and appoints BROKER/AGENT for the following purposes: to secure a tenant or tenants for the property; to use reasonable diligence to manage and operate the property and to collect rents and other monies from tenants and issue receipts therefore; to collect all rental income from tenants and to deposit same into BROKER'S account and to withdraw from such account all funds needed for proper disbursements for expenses payable by OWNER, including without limitation the compensation due BROKER. BROKER agrees to use due diligence in processing and forwarding all funds due to OWNER and to maintain accurate and complete accounting records of all receipts and disbursements and to submit a written property statement detailing such disbursements and providing copies of all receipts each month.**

**BROKER shall not be liable for tenant's bad checks. BROKER reserve the right to withhold all or part of OWNER'S funds to meet obligations of the property which are or may become due and for which current income is or may not be adequate; to negotiate terms of the lease on behalf of the OWNER, as specified above in Section 1;**

X     Broker or Agent is given authority to sign all lease(s) to serve notices to vacate upon tenant(s), to have legal action instituted by a licensed attorney on behalf of OWNER and at OWNER'S expense to enforce the terms of the lease or rental agreement, including without limitation, eviction of tenants or other persons from the property; to arrange for maintenance services as needed, including without limitation, vermin extermination, trash removal, utilities and other services and purchasing necessary supplies for the property from vacancy until occupancy, all as BROKER/AGENT deems advisable; to arrange for repairs, maintenance or replacement of all appliances, fixtures and operating systems of the property, provided the individual expenditure for the same shall not exceed the sum of \$250 without the prior approval of OWNER, except for monthly or contractual operating expenses and except for emergency repairs. (See Emergency Situations, Section 6)

AGENT is to utilize his/her best judgment in choice of repair person/company but will not be liable beyond the exercise of a reasonable selection suitable for the nature of the repair; to advertise the property in the Multiple Listing Service and to post signs thereon.

Additional advertising like newspaper ads, additional signage and such is at the expense of the OWNER, all as BROKER/AGENT deems advisable and at BROKER'S contract rate with advertiser; services all customarily employed by BROKER; to hire and discharge on behalf of OWNER, and pay from OWNER'S funds, all persons and entities necessary to maintain and operate the property unless notified by OWNER to do otherwise. It is agreed that all such maintenance employees or independent contractors, shall be deemed to be employed by OWNER and not BROKER/AGENT and OWNER hereby agrees to hold BROKER/AGENT harmless from all their acts, defaults and negligence. BROKER shall not be required to advance sums for OWNER which are not in BROKER'S possession.

**3. OWNER'S Responsibilities:** The OWNER expressly retains the following authority and accepts the following responsibilities: to maintain the property in a safe and habitable condition; OWNER warrants that all fixtures and operating systems, including without limitation, plumbing, air conditioning, heating and electrical systems, appliances, garage doors and opener(s), ceiling fans, smoke detectors, mailbox and attached lighting fixtures are in satisfactory operating condition. Owner agrees there are no defects to property except the following: \_\_\_\_\_

\_\_\_\_\_ and agrees to reasonably approve all needed capital expenditures in writing and to handle all insurance claims and insurance matters directly with OWNER'S insurance carrier; to supply BROKER/AGENT with (3) three sets of keys to property or bare the expense if copies have to be made; Upon tenant move out Owner is responsible for costs of changing locks on the property for liability and insurance purposes; to pay for regular pool maintenance by a licensed and bonded pool service company if the property includes a pool; upon termination of this agreement, to assume all obligations of all contracts that BROKER/AGENT entered into on OWNER'S behalf such as but not limited to, pool service, pest control, and yard maintenance; to refer to BROKER/AGENT all inquiries

regarding leasing of property; to make property available for BROKER/AGENT'S access during reasonable times.

OWNER authorizes BROKER/AGENT to use a keysafe system on the property. Owner acknowledges the keysafe procedure used by BROKER/AGENT and fully acknowledges that the use of the keysafe system is to make access to the property easier for licensed Realtors and may decrease the physical security of the property. BROKER, the Northeast Florida association of Realtors, the Northeast Florida Multiple Listing Service, Inc. and their licensees and employees are released from any damage, injury or loss to person or property arising out of the use, maintenance or operation of the keysafe system and agrees to indemnify and hold harmless all of them there from.

If the property was built prior to 1978, OWNER shall provide BROKER with all information OWNER knows about lead-based paint and lead-based paint hazards as required by Federal law. OWNER understands the law requires the disclosure of this information prior to the property being rented and that the BROKER will rely upon all of the OWNER'S representations regarding the property. OWNER also certifies to BROKER that to his best ability the property does not have any urea formaldehyde foam or asbestos, mold, mildew, fungus, levels of radon gas that exceed federal guidelines and that the property is not contaminated by any hazardous substance as that term is defined by any federal, state or local law. OWNER shall promptly cure any such violation of applicable law pertaining to hazardous substances or the use or occupancy of the property.

to carry at OWNER'S expense, fire and extended coverage and public liability insurance, which policy shall be written to protect BROKER in the same manner and to the same extend as OWNER and shall be for limits not less than \$100,000.00 for public liability. The policy shall require by its terms that the insurance carrier not be permitted to cancel the insurance coverage without giving (30) thirty days prior written notice. OWNER agrees to give BROKER a Certificate of Insurance as evidence that the property is insured as provided herein. Landlord agrees to indemnify Broker for any damages suffered as a result of any lapse in or failure by Landlord to maintain insurance coverage. Landlord affirms that pets are covered by the liability insurance.

**4. Payment Procedure of Rental Proceeds:** The TENANT will submit rental payments directly to AGENT. Rents are due on the 1st of each month and considered late after 5:00 PM on the 5th of each month. Upon receipt of such payments, AGENT will deposit payments in a non-interest bearing account in the Wachovia bank. All security deposits are held in a non-interest bearing account in SouthTrust Bank. Florida Real Estate law requires that escrow checks be held sufficiently to allow time to clear. Therefore, OWNER'S checks will be disbursed no sooner than the 15th of each month. The OWNER'S check will reflect the gross monthly rental proceeds less our monthly agreed upon commission and any property expenses. The gross monthly proceeds may

include forfeited deposits, maintenance service fees or other TENANT charges. For new rental properties a commission will not be collected until the property is rented. The OWNER is placed on notice that all mortgage payments for this rental property are ultimately the OWNER'S responsibility.

**5. SECURITY DEPOSIT:** The LANDLORD and/or AGENT will accept a sum of money equal to the first months rent or more if applicable, paid by TENANT as a security deposit for the full and faithful performance of all the terms and conditions of this lease. This sum shall be returned to the TENANT, minus a min. \$90 carpet cleaning fee, upon satisfactory termination of this lease. If the TENANT is in default or breaches any of the terms and conditions of the lease, the LANDLORD and/or AGENT may apply this sum or any part thereof to any costs, damages, or losses incurred by the LANDLORD by reason of such breach or default without in any manner waiving or limiting their rights to further hold the TENANT liable for costs, damages or losses, or injuries otherwise due. This deposit shall be held in the Fifth-Third Bank, 9716 San Jose Blvd., Jax. Fl. 32257 in a non-interest bearing account.

If TENANT moves out prior to the ending date of the lease term, renewal period or extension period, TENANT shall remain liable to fulfill TENANT'S obligations under this lease including but not limited to rent for the unexpired term of the lease and charges for improper notice. The security deposit shall not be used to pay rent by TENANT, but LANDLORD and/or AGENT may apply it to any charges due. TENANT has examined the premises and has accepted the condition thereof. Any report of defects must be submitted in writing to the AGENT within (3) three days of occupancy. LANDLORD expects the TENANT to return the leasehold in a clean and satisfactory condition, taking into account and not penalizing the TENANT for ordinary wear and tear and acts of God. Once the TENANT has vacated the premises for termination of the lease, the LANDLORD and/or AGENT will inspect the house and yard and will submit to TENANT written notice of such defects. The LANDLORD and/or AGENT will then give the TENANT (3) business days, from the date of the inspection, to cure any alleged defects in the condition to the LANDLORD'S satisfaction. If after this period to cure defects, the premises are not in good order or repair, the LANDLORD and/or AGENT may deduct from the security deposit a sum sufficient to meet the cost of repairing said premises. From the date the TENANT vacates the premises, the LANDLORD and/or AGENT will have (30) thirty days in which to return the security deposit or submit written notice of intent to impose a claim on the deposit in accordance with Florida Statues. LANDLORD acknowledges that if a dispute over the security deposit arises, TENANT will be looking soley to OWNER for remedy thru civil litigation.

In the event of a sale or transfer of title of the property from one owner to another or upon change of rental agent, any and all security deposits will be transferred according to Florida Statues, with a written receipt given to the TENANT. In the event that such a

transfer of rental agent occurs, Sam Folds, Inc. Realtors, is no longer responsible under this agreement provided that the requirements of Florida Statutes have been met.

**6. Non-Discrimination:** This property shall be offered to perspective tenants without regard to race, religion, age, sex, family status or ethnicity. Company policy, as well as federal law, prohibits any such restrictions on renting this property. Therefore, the AGENT will show and rent this property accordingly.

**7. Emergency Situations:** The OWNER trusts that the AGENT will utilize the AGENT'S best judgment in any emergency situations which impact the OWNER'S property, such emergencies include but are not limited to immediate repairs, inclement weather, criminal acts, and/or vandalism. In the event of such situations, the AGENT will use the AGENT'S best efforts to contact the OWNER but may proceed to act reasonably as necessary to protect and preserve the interests of the OWNER and meet the terms of the lease agreement with TENANT. Such emergencies will be dealt with on a case-by-case basis as the situation warrants.

**8. Collect Calls to OWNER:** The OWNER agrees that in the event that AGENT should be required to telephone OWNER concerning the OWNER'S property, permission is given for AGENT to make such calls on a collect call basis. Collect calls will be limited to emergencies, such as immediate repairs, disasters, etc. unless the OWNER instructs otherwise in writing.

**9. Choice of TENANT:** The AGENT has provided the TENANT with a rental application in connection with the TENANT'S lease of this property. A copy of this agreement is incorporated by reference. Agent is given exclusive right to screen and approve or disapprove prospective tenant(s), to deliver, on Landlord's behalf, any default notices to Tenant(s) as may be necessary. Although, the AGENT has utilized his/her best judgment in selection of the TENANT for this property, the AGENT will not be liable for the choice of the TENANT. The AGENT cannot guarantee the TENANT'S behavior beyond fulfilling the AGENT'S duties to manage this property in accordance with the lease agreement.

**10. Liability/Hold Harmless:** OWNER agrees to protect, indemnify and hold harmless BROKER and BROKER'S officer's, directors, licensees and employees from all liabilities, obligations, claims, damages, penalties, causes of action, costs and expenses, including without limitation, reasonable attorney's fees and expenses, arising from (1) any accident, injury or death of persons, or loss or damage to property occurring in or about the property or adjoining sidewalks, curbs, streets, ditches, roads or ways; (2) any use, non-use or condition of the property adjoining sidewalks, curbs, streets, ditches, drains, roads, or ways; (3) owner's misstatements, negligence, action, inaction, or failure to perform the obligations of the agreement or any lease or agreement with a vendor; or (4) the existence of undisclosed material facts about the property. BROKER

assumes no liability whatsoever for any acts or omissions of OWNER or any previous property manager or agents of either. BROKER/AGENT shall not be liable for error of judgment or for any mistake of fact or law or for any loss caused by BROKER, except in cases in which loss is caused by the BROKER'S gross negligence.

**11. Notices/Facsimile Signatures:** Whenever any written notice is required to be given in this agreement, notice must be sent by certified mail, return receipt requested, FEDEX, UPS or similar express delivery service or local courier service and shall be deemed deliverable upon physical receipt thereof or refusal by the recipient to receive same, not the mailing date. The mailing address for BROKER/AGENT is 3720 Kori Road, Jacksonville, Florida, 32257 and the mailing address for OWNER is

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The parties agree that this agreement and other written authorizations required herein may be executed by signing an original or facsimile copy and transmitting same by facsimile. Such signatures shall be binding as originals.

**12. Written Alterations or Modifications:** There are no agreements, promises or understandings between OWNER and BROKER/AGENT except as specifically set forth herein. No alterations or changes shall be made to this agreement, unless such modifications are made in writing and signed by both parties.

**13. Validity of Lease Terms:** In the event that any section of this agreement is held by a court of competent jurisdiction to be invalid, void or otherwise unenforceable, the remaining terms and conditions of this agreement will remain in effect.

**14. Choice of Law:** All controversies and claims between OWNER and BROKER, directly or indirectly related to this management agreement, will be settled by binding arbitration in the county where the property is located, using arbitrators selected from the list maintained by the Northeast Florida Attorney's Real Property Council and in accordance with its rules, or another arbitrator who is mutually agreeable by both parties. Discovery will be governed by the Florida Rules for Civil Procedure. The arbitrators will award whomever prevails reasonable attorney's fees and costs, defined to include fees paid to arbitrators and expert witnesses.

**15. Additional Terms of Agreement:**

(a) Special terms for lease- \_Tenant must abide by association rules & regulations. Owner to furnish copy of such rules/regulations or bare expense of acquiring copies.

(b) Owner is responsible for costs associated with changing locks after each tenant.

**16. Damages/Missing Items:** Broker is not responsible for damage to the premises or items missing, switched out, lost or damaged under circumstances, including but not limited to, theft, vandalism or negligence of tenant(s) or their guests. In furnished units an inventory, provided by Landlord, will be checked by Broker or Agent at departure. In the event tenant(s) damage the premises or owes any monies to the Landlord, Broker

is given the exclusive authority to determine in its professional opinion the amount due, charge the tenant accordingly and/or settle with the tenant(s) upon advice of Broker's legal counsel. Broker is given the power to make claims upon the security deposit on behalf of Landlord and Broker shall not be held liable for any failure to make claim(s) on any damages which are not readily apparent to Broker.

**17. Hurricanes, Tropical storms, Acts of God: Broker shall not be responsible to take any precautionary measures to avoid any damages from any acts of God unless agreed to in writing between Broker and Landlord and at the sole expense of the take any precautionary measures to avoid any damages from any acts of God unless agreed to in writing between Broker and Landlord and at the sole expense of the Landlord.**

**6. UTILITIES:** If allowed by law and unless otherwise agreed to by the parties, TENANT(S) are required to have telephone service, cable, electric service, water service and all other utilities in their own name. In any lease where the TENANT(S) shall have use of the LANDLORD's utilities and be responsible for all or part of the bill(s), LANDLORD shall pay the entire bill in a timely manner and forward copies to this office for reimbursement. Under no circumstances shall LANDLORD cause the termination of these services and LANDLORD agrees to indemnify BROKER for any damages or litigation fees/cost incurred by BROKER if LANDLORD improperly terminates a utility service. BROKER will deduct bills to the extent of funds available and LANDLORD agrees that BROKER shall be in no way responsible for nonpayment of or theft of any utility service by ENANT(S).

ordinances. Due to laws which may affect disclosure of private and credit information, LANDLORD shall not be provided with the TENANT'S credit report and/or application unless specifically authorized in writing by the TENANT(S) and the provider of the credit report.

**18. Pertinent Property Information:**

Water & Sewer Company- \_\_\_\_\_

Trash pick-up Company- \_\_\_\_\_

Trash pick-up day- \_\_\_\_\_

Insurance Agent- \_\_\_\_\_ Company- \_\_\_\_\_

Phone: \_\_\_\_\_

Pest Control Company- (if any) \_\_\_\_\_

Lawn Service Co.- (if any) \_\_N/A\_\_\_\_\_

Contact in case of Emergency- Name: \_\_\_\_\_

Phone \_\_\_\_\_

Warranties on appliances, fixtures, H&A/C, roof, etc.-

\_\_\_\_\_  
\_\_\_\_\_

Security Deposit- \$ \_\_\_\_\_ Pets- Yes/No Pet Deposit-\$ see pet policy

Pets upon approval: Yes / No

Restrictions: Smoker \_\_\_\_\_ Non-smoker  \_\_\_\_\_

Owner Social Security # \_\_\_\_\_ Home ph. \_\_\_\_\_

Fax #: \_\_\_\_\_

Mailbox # \_\_\_\_\_ Mailbox location: \_\_\_\_\_ Gate Code: \_\_\_\_\_

Parking Space: \_\_\_\_\_

Management Co. (HOA) Name: \_\_\_\_\_

\_\_\_\_\_ Ph./Contact Number

Additional Owner Contact Info. Cell#: \_\_\_\_\_

Email: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have signed, sealed and delivered

this Management Agreement this \_\_\_\_\_ day of \_\_\_\_\_, 2009.

By: \_\_\_\_\_

AGENT for OWNER/LANDLORD  
Jennifer Davies, Property Manager  
Sam Folds Inc. Realtors

\_\_\_\_\_  
LANDLORD/OWNER

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LANDLORD/OWNER